HAWAII AGRICULTURE 1999

Farm Revenue From Diversified Agriculture Continues At Record Pace

Total farm level revenue rose 3 percent in 1999 to an eightyear high \$528 million, on the strength of pineapple and diversified agriculture. Typically there were both gains and declines among the growing number of diversified crops. Although dry weather and world related price fluctuations resulted in declines for some commodities, there were several bright spots as the diversified sector continued to expand, also rising 3 percent from 1998 to a record \$339 million.

The equivalent farm value of pineapple, the State's leading commodity, rose 9 percent from the previous year,

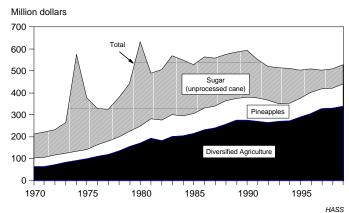
surpassing \$100 million for the first time since 1992, and the fifth highest on record. A boost in production was responsible for the increase, as lower prices tempered the gains.

Although the equivalent farm value of sugarcane declined 1 percent to \$86.8 million, it remained the second leading earner among all agricultural commodities.

Leading the way among diversified commodities were record high gross returns for vegetables and melons, herbs, bananas, flowers and nursery products, seed crop research, aquaculture, and taro. Receipts for fruit crops other than pineapple also rose from the previous year, as papaya production began it's recovery from the devastating effects of the papaya ringspot virus experienced during the nineties. Ginger root growers had their second best year ever. Prolonged dry weather adversely impacted, to varying degrees, macadamia nut and coffee production, and the beef cattle industry. World market related price declines were the principal contributor to lower coffee receipts.

Farm level values are an important measure of production agriculture, but they don't truly reflect the total contribution of agriculture to the State and individual county economies. Adding the values of sugar and pineapple processing raises the total to \$617 million for 1999, however, even that is incomplete. Unknown are the value added figures for macadamia nut, coffee, fruit, vegetable, and taro processing, as well as all of the direct and indirect business activity resulting from agriculture. For a more complete picture of agriculture's contribution, refer to "Accounting for the linkages of Agriculture in Hawaii's Business Economy with an input-output Model: A Final Demand-Based Approach" by University of Hawaii Agricultural Economists Khem R. Sharma, PingSun Leung, and Stuart Nakamoto, which was done for 1992.

Cash Receipts of Agricultural Commodities, State of Hawaii, 1970-99



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